STATE OF ILLINOIS ILLINOIS COMMERCE COMMISSION

Commonwealth Edison Company : 00-0259

Petition for expedited approval of implementation of a market-based alternative tariff, to become effective on or before May 1, 2000, pursuant to Article IX and Section 16-112 of the

Public Utilities Act

: (cons.)

Central Illinois Public Service Company
Union Electric Company
:

: 00-0395

Petition for approval of revisions to market value tariff, Rider MV

Illinois Power Company :

: 00-0461

Proposed new Rider MVI and revisions to Rider TC.

NICOR ENERGY, L.L.C.'S RESPONSE TO NEWENERGY MIDWEST, L.L.C.'S MOTION FOR ADDITIONAL HEARINGS

Nicor Energy, L.L.C. ("Nicor Energy"), by its attorneys, the Law Office of Michael A. Munson, pursuant to 83 Ill. Adm. Code 200.190, hereby responds to the Motion for Additional Hearings filed by NewEnergy Midwest, L.L.C. ("NewEnergy").

Nicor Energy suggests to the Illinois Commerce Commission ("ICC" or "the Commission") that the objective of the current proceeding is to develop a market value that allows the electric power and energy market to develop competition in a manner that benefits the ultimate consumer. Accordingly, Nicor Energy suggests that now is the time, and not over two years from now as suggested by the Hearing Examiner's Proposed

Order ("HEPO") (HEPO at 111), to develop the market value into a realistic retail value.

As suggested in the HEPO:

...an accurate calculation of market value is of primary significance in the transition to competition, in part because the MV is one of the components in the formula for computing customer transition charges.

Underestimating the MV that is used in calculating the CTC will raise transition charges and reduce the extent to which RESs can create savings opportunities for delivery service customers, thereby potentially undermining the development of a competitive retail market for power and energy during the transition period. (HEPO at 109)

It is therefore appropriate to open the record for prompt hearings to clarify the adjustments to market values, which in turn will allow the Hearing Examiner and the Commission a complete record to make its determination.

Wherefore, Nicor Energy requests the Hearing Examiner grant NewEnergy's Motion for Additional Hearings.

Respectfully submitted,

NICOR ENERGY, L.L.C.

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